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VIA FEDERAL EXPRESS

Mr. Rick Breitenbach
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, CA 95814

**Quiet Hills Ranch Company Comments on the March 1998
Draft Programmatic Environmental Impact
Statement/Environmental Impact Report**

Dear Mr. Breitenbach:

Please accept these comments on behalf of the Quiet Hills Ranch Company ("Quiet Hills") in Orland, California.

We understand that the Draft Programmatic Environmental Impact Statement/Environmental Impact Report regarding the CALFED Bay-Delta Program issued by CALFED in March 1998 ("Draft Programmatic EIS/EIR") is preliminary. CALFED will issue a revised draft around the end of 1998, and issued a final Programmatic EIS/EIR in 1999. We further understand that specific programs that make up the overall Bay-Delta Program have not yet been developed. These specific programs will be established over approximately the next ten to thirty years, and will each be subject to individual EIS/EIRs.

In light of the preliminary nature of the EIR/EIS, and the absence of specific program discussions, these comments are very general in nature. In addition, these comments do not discuss specific methodologies or analyses used or conducted by CALFED for the purposes of the Draft Programmatic EIS/EIR. It would be premature to comment on the specifics of the EIS/EIR because no real specifics are provided, and the entire EIS/EIR is subject to significant changes before the next draft is issued. Therefore, Quiet Hills reserves

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its right to comment further on any matter, whether addressed in these comments or not, that pertains to the Bay-Delta Program.¹

These comments focus on CALFED's consideration of the proposed Thomes-Newville Reservoir Project as an off-stream surface water storage facility. CALFED is currently in the process of screening surface water storage location alternatives. It has identified the Thomes-Newville Reservoir project as one of several potential surface water storage facilities. As we discuss in more detail below, we do not believe that this project is consistent with the goals of the Bay-Delta program, nor does it appear to be a practical water storage alternative.

On the basis of CALFED's principles, goals and objectives, we believe that the Thomes-Newville Reservoir project should be eliminated from consideration because (1) it is in conflict with CALFED's restoration programs; (2) it will have several redirected impacts; and (3) it will result in significant environmental degradation.

1. Principles, Goals and Objectives of the Bay-Delta Program

A basic principle of the Bay-Delta program is that any "solutions" decided upon must, among other things, (1) be equitable, and (2) have no significant redirected impacts. (Draft Programmatic EIS/EIR at 1-6) Selecting the Thomes-Newville Reservoir project would contravene these principles. Furthermore, two of the primary objectives of the Bay-Delta program are to improve ecosystem quality and assure a reliable water supply. (Draft Programmatic EIS/EIR at 1-6) The Thomes-Newville Reservoir project would not be

¹ For example, Quiet Hills is also concerned about other important issues, such as water rights and water availability. However, those issues cannot be addressed in detail until CALFED's process is further along and it is able to identify specific water rights issues. The California Department of Water Resources has stated, with respect to off-stream water storage facilities, that "none of these projects would reduce existing water rights." Presentation of Douglas N. Denton, Department of Water Resources, Proposition 204 Off-Stream Storage Evaluation, Engineering Studies (Off-Stream Storage Workshop, Nov. 6, 1997). This issue does not appear to be addressed with specificity in the Draft Programmatic EIS/EIR, however.

consistent with these objectives.²

CALFED's goal for ecosystem quality is to "improve and increase aquatic and terrestrial habitats and improve ecological functions in the Bay-Delta system to support sustainable populations of diverse and valuable plant and animal species." (Draft Programmatic EIS/EIR at 1-5) To achieve this goal of ecosystem quality, CALFED's objective includes:

- ◆ Increase various habitats for aquatic species;
- ◆ Improve upstream and downstream movement of larval, juvenile, and adult life stages of aquatic species; and
- ◆ Increase wintering range for wildlife.

The Thames-Newville Reservoir project would not appear to meet these principles, goals, and objectives. In particular, the goals of water supply reliability and ecosystem quality may not be achieved if the Thames-Newville Reservoir project is implemented. In some cases, the project would subvert these objectives.

2. The Thames-Newville Reservoir Project Components

The Thames-Newville Reservoir proposal would be a massive undertaking, costing up to \$2 billion. (CALFED Storage and Conveyance Refinement Team, Draft Facility Descriptions and Updated Cost Estimates for Thames-Newville Reservoir Project (June 23, 1997) at 18) ("Facility Description") Depending on the alternative selected, storage capacity would be either 1.84 or 3.08 million acre feet. (Facility Description at 4)

There would be four primary components to the project:

² Similarly, the foundations laid out in Proposition 204, the state component of the CALFED program, are that projects must:

- ◆ Provide water storage
- ◆ Provide flood control benefits
- ◆ Be environmentally sensitive
- ◆ Be cost effective

- ◆ Newville and Tehenn Reservoirs on North Fork Stony Creek;
- ◆ Diversion facility from Thomes Creek to Newville Reservoir;
- ◆ Two-way conveyance facility from Tehenn Reservoir to existing Black Butte Reservoir on the main stem of Stony Creek; and
- ◆ Two-way conveyance canal from Tehama-Colusa Canal to Black Butte Reservoir. (Facility Description at 4).

There would be four primary sources of water to the Newville Reservoir:

- ◆ North Fork Stony Creek (direct discharge);
- ◆ Flows would be diverted from Thomes Creek and conveyed through a gravity canal;
- ◆ Main stem of Stony Creek would be conveyed from Black Butte Reservoir to Newville Reservoir through (a) Tehenn Canal; (b) Tehenn Pumping-Generating Plant; (c) Tehenn Reservoir; and (d) Newville Pumping-Generating Plant; and
- ◆ Flows from the Sacramento River. (Facility Description at 7)

3. The Thomes-Newville Reservoir Project Should Be Eliminated From Consideration

Generally, a project that results in incremental impacts and risks is not necessarily inconsistent with CALFED's objectives, goals and principles. The massive environmental impacts and water supply risks that will be created if the Thomes-Newville project goes forward, however, are not consistent with such objectives, goals and principles.

As discussed above, the preliminary and general nature of CALFED's proposals at present do not permit comprehensive comments on the Thomes-Newville Reservoir project. Indeed, at its November 6, 1997 Off-Stream Storage Workshop, CALFED noted that:

The screening process has not yet been completed. It has proven to be extremely difficult to meet the rigorous requirements of law, given the very large study area and range of options available. We do not have the same

level of detailed information available for many potential projects, which have been variously looked at over a range of many decades.

Environmental information is especially patchy. It would be prohibitively expensive to study all the potential sites in detail, and it would probably be a big waste of money too. Instead, we have been working with the regulatory agencies to develop a screening approach which meets the requirements of the law, using the available information.

. . . .

What we risk in making these decisions is that once the screening process is completed we may need to backtrack and study other potential projects in detail. Conversely, one or more of the projects may prove to have serious flaws.

Indeed, CALFED has established criteria for eliminating potential sources from further consideration. (Draft Programmatic EIS/EIR, Technical Appendix--CALFED Phase II Storage and Conveyance Refinement Process at 7) The criteria for eliminating a project is:

- ◆ Inadequate storage volumes;
- ◆ Conflicts with CALFED's restoration programs;
- ◆ Excessive cost;
- ◆ Engineering constraints; and
- ◆ High environmental impacts (such locations are "red flagged" as having higher mitigation costs).

Based on these criteria, and the information that is known about the Thomes-Newville Reservoir project, it is apparent that the project has "serious flaws" and should be eliminated from consideration as an off-stream storage facility. Generally, it appears to impermissibly redirect impacts and fails to ensure a reliable water supply source. Specifically, it would (1) conflict with CALFED's restoration programs, (2) may represent excessive cost, and (3) result in high environmental impacts.

Although the Thomes-Newville Reservoir project requires further evaluation, there are a number of things known about the site that raise serious concerns.

a. The Dam Site is Located in an Area of Seismic Activity

The project site is located in the Coast Range geomorphic province, just west of the boundary with the Great Valley geomorphic province. (Facility Description at 6) The site is in an area that exhibits up to moderate seismicity. Indeed, there are several known faults in the area, including: (1) Stony Creek Fault; (2) Coast Range Thrust Fault; and (3) Paskenta Fault Zone. Moreover, the CALFED Storage and Conveyance Refinement Team acknowledges that there may be additional undiscovered faults in the area.

Building a dam that holds back up to 3 million acre feet of water in an area such as this is questionable. Building a water storage facility in an area of seismic activity does not appear consistent with CALFED's goal of water supply reliability.

b. Road Relocations

CALFED states that eight miles of public roads exist within the inundation area of the Newville Reservoir. (Facility Description at 14) The roads identified by CALFED as being within the inundation area are Paskenta-Round Valley Road and an unnamed county road that crosses the northwest portion of the proposed Newville Reservoir. CALFED does not address the effect on Newville Road from the Newville Pumping-Generating Plant, the Tehenn Reservoir, the Tehenn Pumping-Generating Plant, and the Tehenn Canal.

We request that CALFED advise us as to whether Newville Road may be inundated by this project.

c. Environmental Impacts

The environmental impacts that would result if the Thomes-Newville Reservoir project were to go forward are staggering. A project with smaller, incremental impacts, may be acceptable and consistent with CALFED's objectives. The magnitude of this proposed project, however, would result in unmitigatable impacts.

Although its review of environmental impacts is preliminary, CALFED has already come to conclusions regarding the significance of the impacts the Thomes-Newville Reservoir project would have on the environment. These impacts are inconsistent with CALFED's objectives and goals of ecosystem quality and no redirected impacts.

CALFED has identified the following impacts to species and habitat that would result from the Thomes-Newville Reservoir project (Facility Description at 19-24):

- ◆ 13,900 acres of terrestrial wildlife habitat would be inundated
- ◆ 35 miles of perennial stream habitat would be inundated
- ◆ Over 2,000 acres of critical winter range habitat for 1,100 deer of the Thomes Creek herd would be lost
- ◆ Over 600 migratory and resident deer would be displaced
- ◆ Steelhead and salmon would be impacted
- ◆ Impacts of run blockage for Sacramento squawfish and suckers is "expected to be significant"
- ◆ There would be indirect fish losses at the Sacramento River diversion
- ◆ In all, there would be impacts to 19 species of fish, 12 species of amphibians, 20 species of reptiles and 145 species of birds.
- ◆ There would be creek flow reductions and altered stream flows
- ◆ Reduced insect populations would occur
- ◆ Affected by the project would be:
 - ◆ 36 miles of intermittent streams
 - ◆ 35 miles of perennial streams
 - ◆ 10 miles of emergent seasonally flooded wetlands (shallow marsh)
 - ◆ 1 mile of temporarily flooded wetlands (wet meadow)
 - ◆ 1 mile of shrub-scrub wetlands
 - ◆ 1 mile of forested wetlands
 - ◆ 1 mile of forested/shrub-scrub wetlands

- ◆ 25 acres of forested wetland (wet meadow)
- ◆ 7 acres of shrub-scrub wetland (wet meadow)
- ◆ 4 acres of emergent shallow marsh
- ◆ 45 acres of ponds
- ◆ Present in the area are 35 significant prehistoric sites (and 188 non-significant sites) and 20 significant historic sites (and 50 non-significant sites)

CALFED's consideration of the Thomes-Newville Reservoir project, in the face of these impacts, does not appear warranted. For example, one of the things CALFED is focusing on is restoration of ecological processes associated with stream flow, stream channels, watersheds and floodplains. CALFED is concerned about these processes because they "create and maintain habitats essential to the survival of species dependent on the Delta." (Programmatic EIS/EIR at 2-10) However, it is difficult to reconcile this objective of restoring ecological processes associated with stream flow when the Thomes-Newville Reservoir project will divert 97% of Thomes Creek. Likewise, a CALFED objective is to increase wintering range for wildlife, yet this project would eliminate over 2,000 acres of critical winter range habitat for the Thomes Creek deer herd.

CALFED offers no suggestion as to how the impacts from the Thomes-Newville Reservoir project could be mitigated to any degree, much less to the degree necessary to permit CALFED to consider the project a viable water storage option. The general mitigation "strategies" proposed in the Programmatic EIS/EIS are considered by CALFED to be "conceptual in nature," (*see, e.g.,* Programmatic EIS at 7.1-42) and in any case, do not in any meaningful way address the impacts at issue here.

CALFED's working presumption is that "Off-stream surface storage provides different benefits and generally fewer environmental impacts than on-stream surface storage." Programmatic EIS/EIR at 2-9. Although this may or may not be true generally, it does not appear true with respect to the Thomes-Newville Reservoir project.

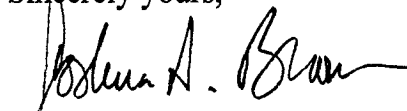
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Based upon these findings and concerns, it is appropriate for CALFED to eliminate the Thomes-Newville Reservoir project from further consideration as an off-stream water storage facility.

We look forward to discussing these issues with you and seeing them addressed in the next draft of the Programmatic EIS/EIS. Please call me if you have any questions.

Sincerely yours,



Joshua A. Bloom

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